

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 00971 211219Z

22-11

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 FRB-03

INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 SSO-00 USIE-00 INRE-00 NSC-05

SS-15 STR-04 CEA-01 NSCE-00 /074 W

----- 073858

O P 211150Z JAN 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC IMMEDIATE 5257

INFO AMEMBASSY PARIS PRIORITY

LIMITED OFFICIAL USE ROME 0971

PASS TREASURY AND FRB

PARIS PASS TREASURY ATTACHE FOR D.C. TEMPLEMAN

E.O. 11652: N/A

TAGS: EFIN, IT

SUBJECT: CLOSING OF ITALIAN FOREIGN EXCHANGE MARKET

1. BOI DIRECTOR GENERAL OSSOLA PASSED EMBASSY FOLLOWING COMMUNICATION WHICH HAS BEEN SENT TO HEADS OF ALL CENTRAL BANKS.

2. QUOTE. THE ITALIAN MONETARY AUTHORITIES HAVE DECIDED TO SUSPEND, AS FROM JANUARY 21, 1976, OFFICIAL QUOTATIONS OF FOREIGN CURRENCIES AGAINST THE LIRA UNTIL FURTHER NOTICE.

3. BANKS WILL CONTINUE TO DEAL FREELY IN CURRENCIES BOTH SPOT AND FORWARD BUT MONETARY AUTHORITIES WILL ABSTAIN FROM INTERVENING IN THE FOREIGN EXCHANGE MARKET.

4. THIS TEMPORARY MEASURE HAS BEEN DECIDED IN THE FACE OF INCREASING PRESSURES WHICH HAVE DEVELOPED IN THE MARKET DURING THE LAST FEW DAYS FOR SPECULATIVE REASONS. IT WILL GIVE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 00971 211219Z

THE AUTHORITIES A BREATHING SPACE FOR AN ADEQUATE EXAMINATION

OF THE SITUATION. NO EXCHANGE CONTROL MEASURES OR TRADE RESTRICTIONS OF ANY KIND ARE BEING CONTEMPLATED.

5. WE SHALL REMAIN IN CONTACT WITH YOU ABOUT THE DEVELOPMENTS OF THE SITUATION. PAOLO BAFFI, GOVERNOR, BANK OF ITALY. END QUOTE. VOLPE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN EXCHANGE, CURRENCIES, LIQUIDITY (MONETARY), CURRENCY STABILITY, FINANCIAL MARKETS
Control Number: n/a
Copy: SINGLE
Draft Date: 21 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ROME00971
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760022-0900
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760135/aaaabelt.tel
Line Count: 67
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 21 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 APR 2004 by BoyleJA>; APPROVED <13 MAY 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CLOSING OF ITALIAN FOREIGN EXCHANGE MARKET
TAGS: EFIN, IT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006